

SCHOOLS' FORUM

Day: Tuesday
Date: 26 September 2023
Time: 10.00 am
Place: Remote Meeting

Item No.	AGENDA	Page No
1.	APOLOGIES FOR ABSENCE To receive any apologies for the meeting from Members of Schools' Forum	
2.	DECLARATIONS OF INTEREST To receive any declarations of interest from Members of School's Forum	
3.	APPOINTMENT OF CHAIR AND DEPUTY CHAIR To appoint a Chair and Deputy Chair for the 2023-24 Academic Year	
4.	MINUTES To consider the minutes of the meeting of Schools' Forum, which was held on 20 June 2023	1 - 6
5.	SCHOOLS' FORUM MEMBERSHIP, CONSTITUTION AND TERMS OF REFERENCE To consider the attached report of the Chief Executive	7 - 16
6.	SCHOOL BALANCES To consider the attached report of the Interim Assistant Director, Finance and Assistant Director, Education	17 - 22
7.	SCHOOLS FINANCIAL VALUES STANDARD RETURNS To consider the attached report of the Interim Assistant Director, Finance and Assistant Director, Education	23 - 26
8.	SCHOOL FUNDING UPDATE ON NFF AND SUMMER ANNOUNCEMENTS FROM DFE To consider the attached report of the Interim Assistant Director, Finance and Assistant Director, Education	27 - 32
9.	DSG MONITORING 2023-24 UPDATE To consider the attached report of the Interim Assistant Director, Finance and Assistant Director, Education	33 - 40

From: Democratic Services Unit – any further information may be obtained from the reporting officer or from Natalie King, natalie.king@tameside.gov.uk, 0161 342 2316, to whom any apologies for absence should be notified.

Item No.	AGENDA	Page No
10.	DSG HIGH NEEDS SPENDING AND DEFICIT RECOVERY PLAN To consider the attached report of the Interim Assistant Director, Finance and Assistant Director, Education	41 - 50
11.	DATE OF NEXT MEETING To note that the next meeting of Schools' Forum will be held on Tuesday 28 November 2023 at 10am.	

Agenda Item 4

SCHOOLS FORUM

20 June 2023

Commenced: 10.00am

Terminated: 11.00am

Present:	Karen Burns (Chair)	Primary Schools – Academies
	Lisa Gallaher	Primary Schools – L/A Maintained
	Susan Marsh	Primary Schools – L/A Maintained
	Kirsty Rimmer	Primary Schools – L/A Maintained
	John Cooper	Primary Schools – L/A Maintained
	Lisa Lockett	Primary Schools – L/A Maintained
	Heather Farrell	Primary Schools – Academies
	Steve Marsland	Primary Schools – L/A Maintained
	Gemma Patterson	Primary Schools – L/A Maintained
	Simon Brereton	Primary Schools – L/A Maintained
	Phil Williams	Primary Schools – L/A Maintained
	Pierre Coiffait	Special Schools – L/A Maintained
	Richard O'Regan	Secondary Schools – L/A Maintained
	Chris Cluitt	Secondary Schools - Academies
	Anthony Benedict	Pupil Referral Service
	Anne Morgan	Tameside Teachers' Consultative Committee
	Elaine Horridge	Diocesan Representative
	Jerome Francis	Finance Business Partner
	Louisa Siddall	Senior Finance Manager
	Wendy Lees	Finance Manager
	Jane Sowerby	Assistant Director, Education
	Dave Leadbetter	Project Manager – Children's Services
	Cllr Feeley	Executive Member

Apologies for absence: Cllr North Executive Member

1 DECLARATIONS OF INTEREST

There were no declarations of interest from Members of the Board.

2 MINUTES

Consideration was given to the minutes of the meeting of Schools Forum, which was held on 7 March 2023.

RESOLVED

That the minutes of the meeting of Schools Forum, which was held on 7 March 2023, be approved as a correct record

3 DEDICATED SCHOOLS GRANT OUTTURN 2022-23 AND BUDGET UPDATE 2023-24

Consideration was given to a report of the Director of Resources and the Assistant Director of Education, which outlined the Dedicated Schools Grant (DSG) outturn position for 2022-23 and provided an update of the budget position for the financial year 2023-24.

It was noted that the financial implications statement on the report title page should be amended from £3.606m to £3.306m and that there was a discrepancy in the header of Table 2 of the report, which should have displayed brackets around surplus rather than deficit. Members noted the amendments and it was agreed that the agenda pack would be updated to reflect these changes.

The outturn position against the 2022-23 DSG was provided for Members and it was noted that there was an overall deficit of £0.063m. Members were made aware that the surplus of (£0.353m) on the Schools Block related to (£0.355m) unallocated growth, a minor variation of (£1k) on an academy conversion, which was offset by a £3k retrospective business rates charge. It was proposed that any surplus from the Schools Block be used to contribute towards the DSG deficit.

Continued pressure on the High Needs Block was discussed and Members were made aware that this had closed with an in-year deficit of £1.972m, which reduced to £1.018m with the (£0.954m) Schools Block transfer.

It was explained that the Early Years Block surplus, which was currently (£0.617m) related to (£0.614m) in-year surplus and (£4,000) additional funding from the final 2021-22 Early Years allocation from DfE. Estimations suggested that there would be a funding reduction of £0.016m for the 2022-23 financial year as the final settlement would be based on census date from January 2023. With this in mind, it was noted that the final settlement for Early Years would be announced in July/August 2023 and that the surplus would contribute to the overall DSG deficit.

Provisional Early Years data from 2022-23 was presented to Members with distribution/spend based on actual payments to provider over the summer, autumn and spring terms for 2,3 and 4 years olds. It was noted that the final outturn indicated an underspend of (£0.494m) for 3 and 4 year olds and (£0.084m) for 2 year olds. Members were also made aware of an estimated surplus of (£0.028m) for the Disability Access Fund and an overspend of £0.026m on Early Years Pupil Premium. Early Years participation rates were also discussed.

Members were informed that there was an overspend of £0.127m on the SEND Inclusion Fund (SENDIF), which was offset by an underspend of (£0.149m) on the centrally retained budget. It had been agreed during the previous meeting of Schools' Forum that the SEND Inclusion budget be increased for 2023-24 to meet continued demand in this area. This had been afforded through an increase in funding rates from DfE and would be closely monitored, with updates provided throughout the financial year.

The current DSG settlement for 2023-24 and forecast distribution/spend was provided for Members. This included the £0.694m (0.345%) transfer from the Schools Block to the High Needs Block, which had previously been agreed and actioned.

The forecast surplus of (£0.010m) on the Schools Block was explained as relating to unallocated growth and, again, it was proposed that any surplus would contribute towards the DSG deficit.

A forecast deficit on the High Needs Block of £3.538m was outlined for Members, which would reduce to £2.845m with the (£0.694m) Schools Block transfer. It was noted that this forecast included £2.514m of estimated in-year growth, which related to increasing numbers of EHCPs and newly planned resource bases.

Members were made aware that there was a forecast surplus of (£0.345m) on the Early Years Block. This would be updated in in July/August, when it was anticipated that there would be a reduction of £0.049m to reflect January 2023 census data.

Early Years forecast data for 2023-24 was provided for Members. It was noted that, when calculating the base rate to providers for 3 and 4 year olds, the decision had been taken to uplift the rate by the full £0.14 per hour increase, which had been received in funding. Members were made aware that participation rates would be monitored and updates provided throughout the financial year.

Details of the closing position on the DSG reserve for 2022-23 and the estimated position of the DSG at 31 March 2024 were provided for Members, who were informed that, in 2022-23, the deficit had increased to £3.306m. It was explained that this was due to the overspend on the High Needs Block and the cap on High Needs Block funding gains, which was 7%.

It was suggested that, if 2023-24 forecast materialised, there would be a deficit of £5.846m on the DSG. With this in mind, it was noted that the council was engaging with DfE in the form of the Delivering Better Value programme in order to identify and implement high impact mitigations to reduce this deficit and regular updates would be provided.

Members were made aware of changes to the updated Scheme of Financing and advised that copies of this would be distributed to all maintained schools and updated on the council's website. They were also advised that there had been reforms in the National Funding Formula (NFF), which were due to begin in the 2024/25 financial year. These reforms would apply to split site and growth funding, see a national approach to calculating indicative SEND budgets introduced and promote further sector engagement on related funding issues.

It was stated that DfE planned to allocate split site funding nationally to mainstream schools based on a formula factor made up of a 'basic eligibility' element and a 'distance eligibility' element from 2024-25 and, although no schools in Tameside currently qualified, details of the eligibility criteria were outlined.

Members were also made aware that, DfE planned to introduce a set of national criteria and minimum standards for the allocation of growth funding by LAs in order to improve consistency and predictability. It was noted that the minimum requirements for 2024-25, rather than fully determined Standards, would allow more flexibility where commitments for growth funding had already been made for a number of future years.

It was further outlined that there would be revisions to the NFF's current growth allocation methodology used to allocate funding to LAs on the basis of both growth and falling rolls. It was noted that DfE planned to work with stakeholders in order to refine the standard criteria that would be used to fund schools with significant increases in pupil numbers or falling rolls from 2024-25. As part of this, it was also suggested that LAs would have greater flexibility to use growth funding to repurpose surplus space to create SEND units or Resourced Bases in mainstream schools.

Early Years Spring 2023 Budget Announcements were outlined for Members, including transformative reforms to childcare for parents, children, the economy and women. It was suggested that this new offer would empower parents, allowing them to progress their careers and support their families and noted that the new entitlements would be introduced in phases:

- From April 2024, all working parents of 2-year-olds can access 15 hours per week;
- From September 2024, all working parents of children aged 9 months up to 3-years old can access 15 hours per week;
- From September 2025, all working parents of children aged 9 months up to 3-yearsold can access 30 hours per week.

Members were informed that the budget had also announced additional funding of £204m from September 2023, rising to £288m in the financial year 2024-25, to increase the funding paid to nurseries for the existing free hours offers. It was explained that this investment would allow the national average rate for local authorities for 2 and 3 year olds to increase by 30% from the current national average rate of £6 per hour to around £8 per hour from September 2023. The national average 3 to 4 year old rate for local authorities would rise in line with inflation from the current national average rate of £5.29 per hour to over £5.50 per hour from September 2023.

It was confirmed that the £600 start-up grant for childminders, who register with Ofsted, and £1,200 for those who register with a childminder agency, would be payable to any individual who had completed their childminder registration on or after 15 March 2023 and that new childminders would be able to apply for the grant from autumn 2023.

RESOLVED

That the contents of the report be noted and supported

4 DSG HIGH NEEDS SPENDING AND DEFICIT RECOVERY PLAN

Consideration was given to a report of the Director of Resources and the Assistant Director of Education, which provided an update on the current DSG deficit position along with updates on the Delivering Better Value programme and the action plan to address spending pressures

Members were informed that the DSG reserve brought forward at the beginning of 2022-23 was (£3.243m) and the in-year deficit on the High Needs Block in 2022-23 was (£1.018m) after a transfer from the Schools Block of £0.954m. It was explained that this had been offset by an underspend on the Early Years Block of £0.617m and an underspend on the Schools Block of £0.353m. However, it was noted that these were not expected to continue, following revisions to the assumed Early Years uptake.

It was confirmed that the High Needs Block in year deficit had reduced in 2022-23 compared to previous years and suggested that this was due to a number of factors, including strong Maintained Special School (MSS) provision growth with 122 additional commissioned places in maintained special schools for September 2022 and write-offs of prior year recoupment liabilities.

It was explained that High Needs expenditure was continuing to grow rapidly, being set to more than double between 2023 and 2028. Members were informed that, whilst growth in provision in the maintained special school sector had been a strength (with 122 additional commissioned places in September 2022 and a further 77 planned for September 2023), the DBV future year forecasts assumed that, after these planned expansions have taken place, maintained special schools would again reach capacity and usage of higher cost independent placements would increase.

It was noted that the rapid growth in EHCPs, which had historically been very low compared to GM neighbours had not been matched with growth funding due to the cap on High Needs Block gains (7%) and this had been the main factor in the High Needs Block deficit. With this in mind, it was explained that the goal of the Delivering Better Value programme (DBV) was to identify sustainable changes to the local SEND system, which could drive high quality outcomes for children and young people with SEND and culminate in an evidence based grant application to assist in the implementation of these changes.

A detailed outline of modules 1 and 2 of the DBV programme were outlined for Members and the two main focus areas of the DBV were highlighted as:

1. Inclusion - create an Inclusion Quality and Outreach Team, linked to existing Special Schools and Resource Provisions, and introduce a programme of training and workforce development (including parents and carers as appropriate).
2. Transitions – establish a new Early Years Assessment Centre with co-located wrap around services. The plan to improve the effectiveness and confidence surrounding transitions will also be supported through supporting the clearance of the backlog of annual reviews and identifying those pupils that may struggle at transition and providing early support.

It was explained that these identified high impact areas also crossed over with a range of SEND improvements that were happening outside of the DBV programme, in particular the redesign of SEND Teams, review of the Specialist Outreach Support Team and SEND Sufficiency.

Members were informed that, if successful, the £1m revenue grant bid would likely be available from September 2023 and was expected to be utilised within two years.

An update to the existing management plan was provided for Members. This included detailed information relating to the Resource base Review and the proposal to establish 40 additional local places in 2023-24 was shared with Members. Whilst this would not offer financial savings, it would

help to address in borough demand and avoid more costly placements in independent and non-maintained schools.

Members were also made aware than work had been ongoing with maintained special schools with a view to increasing commissioned places to match growing demand. As such, Members were informed that there had been an increase of 77 places for the 2023-24 academic year.

Members were reminded that an overcapacity policy had been introduced in 2022-23 with the expectation that it would achieve cost avoidance of £50,000 per year. However, as actual growth above commissioned places had been far higher than forecast, the impact had been greater than intended and was currently expected to have achieved cost avoidance of £171,666 over the 2022-23 academic year. It was explained that special schools, who had worked hard to accommodate additional pupils, had expressed concern that this had placed increasing and significant financial pressure on them. Due to this, the decision had been taken not to continue with this policy for the 2023/24 academic year.

During discussion relating to contract reviews, it was stated that, one special schools had a PFI style contract and, with this in mind, a review would be undertaken to investigate whether this represented value for money. It was noted that potential savings to the High Needs Block as a result of this review could potentially represent an annual £320,970. It was stated that the outcome of this review would be considered by Elected Members at Executive Cabinet.

RESOLVED

That the contents of the report be noted.

5 SCHOOL BALANCES 2022-23

Consideration was given to a report of the Director of Resources and the Assistant Director of Education, which provided an update on the surplus balances held by schools at the end of 2022-23 financial year.

Members were made aware that overall balances had increased by £0.453m or 5% compared to 2021-22 and in particular:

- Primary balances had reduced by £0.395m or -8%
- Secondary balances had increased by £1.111m or 38% and
- Special balances had reduced by £0.262m or -19% but this was largely due to an academy conversion
- The above movement also includes the clawback of schools 2021-22 excess surplus balances of £0.197m and the writing out of balances due to schools converting to academy of £0.330m

Members were reminded that, under the Balance Control Mechanism, a school was classed as carrying an excess surplus balance if their year-end balance had either:

- exceeded the approved surplus balance submitted to the Local Authority in June 2022
- or,
- school didn't submit a return to hold balances above the sector threshold.

It was noted that a review of the 2022-23 year-end surplus balances had identified 9 schools with excess surplus balances, totalling £0.659m and shown below. This represented a reduction compared to 2021-22, where there were 17 schools totalling £1.350m.

No of Schools with Excess Balance	No of years Hold Excess Surplus	Total Excess Surplus Balance	At Risk of claw Back at 50%
6	Year 1	£461,584	£0
3	Year 2	£197,790	£98,985
9		£659,374	£98,985

Members were informed that a number of schools had utilised the Capital Reserve within the scheme and current level of balances held in the Capital Reserve was £1.065m. This represented an increase on the 2 schools that earmarked a total of £0.390m in 2021-22.

No of Schools with Earmarked Capital Reserves *	Year Invested in Capital Reserve	Total Earmarked Reserve
2	2021-22	£390,000
6	2022-23	£675,442
Total		£1,065,442

It was stated that all schools with excess balances in either Year 1 or Year 2 had been notified. There were 3 schools at risk of clawback, each of whom had submitted information they wished to be considered as exceptional circumstances, resulting in the excess surplus.

It was explained that views would be gathered from the Schools' Funding Group, and a recommendation would be brought forward to the September meeting of School's Forum in order for decisions to be taken in relation to invoking clawback.

Discussion ensued and it was noted that unfunded pay rises also need to be taken into consideration along with bulge years due to increased birth rates, which had significantly impacted some secondary schools, in particular. It was noted that schools had an opportunity to provide a detailed plan and outline specific reasoning for any surpluses held and that any decisions would need to be taken sensitively and based on the individual circumstances presented.

RESOLVED

- (i) That the contents of the report and the position of schools balances at the end of 2022-23 be noted**
- (ii) That it be agreed that the decision as to whether to invoke the claw back mechanism for 2022-23 excess surplus balances be brought to School's Forum in the September meeting**

6 DATE OF NEXT MEETING

RESOLVED

That the next meeting of The Schools Forum be held remotely on 26 September 2023 at 10am.

CHAIR

Agenda Item 5

Report To:	SCHOOLS FORUM
Date:	26 September 2023
Reporting Officer:	Sandra Stewart – Chief Executive
Subject:	SCHOOLS FORUM TERMS OF REFERENCE, PRINCIPLES AND CONSTITUTION.
Report Summary:	A report for noting the updated Terms of Reference for Schools Forum, of the guiding principles and constitution for the Schools Forum.
Recommendations:	<p>Members of the Schools Forum are requested to note the contents of the report.</p> <p>It is recommended the Schools Forum support the publication of terms of reference, Forum principles, constitution and membership of Schools Forum on the council's website to comply with best practice of Schools Forum.</p>
Corporate Pan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	There are no policy implications as a result of this report.
Financial Implications: (Authorised by the Section 151 Officer)	There are no direct financial implications as a result of this report. However the terms of reference and constitution outlines the financial decisions and consultation that the Council need to be carried out with schools, to ensure we exercise our statutory duties with regards of schools funding.
Legal Implications: (Authorised by the Borough Solicitor)	Members should be aware of the Terms of Reference as they establish the rules for conducting Schools Forum business.
Risk Management:	<p>Local Schools are not given appropriate information to contribute to decision making as laid out in regulation.</p> <p>If Schools Forum protocol is not adhered to, funding decisions could be called in for scrutiny by the Secretary of State for Education.</p>


ACCESS TO INFORMATION

NON-CONFIDENTIAL

This report does not contain information which warrants its consideration in the absence of the Press or members of the public.

Background Papers

The background papers relating to this report can be inspected by contacting Natalie King, Democratic Services Officer:

 Telephone: 0161 342 2316

 e-mail: natalie.king@tameside.gov.uk

1. BACKGROUND AND INTRODUCTION

- 1.1 It is an annual requirement to update membership in at the first meeting of the academic year to review the membership, and appoint both Chair and Vice Chair of Forum. It is timely to review the Terms of Reference for the new academic year alongside this.

2. SCHOOLS FORUM

- 2.1 The attached document is a comprehensive document that covers the relevant governance expected surrounding schools forum. There are five areas within the document for members to note as follows;
- The Terms of Reference
 - Schools Forum Principles
 - Schools Forum Constitution
 - Schools Forum Membership
 - Schools Forum Voting Procedures
- 2.2 Terms of Reference have been established which provide an overview of the purpose and main functions for the Schools Forum.
- 2.3 A set of guiding principles have been established to cover expectations of all Schools Forum members in relation to their role as a member and to ensure that all consultation and decision making is effective and fair.
- 2.4 The Schools Forum constitution covers, in more detail, the powers of Schools Forum in relation to consultation and decision making with regard to approving Dedicated School Grant budgets and formula changes on the Schools Block funding.
- 2.5 It further outlines areas that Schools Forum must be consulted upon, membership and attendance of meetings, organisation and proceedings of meetings, expenses and future changes to the documents.
- 2.6 **Appendix A** outlines the protocols for decision making, voting and substitute attendance at meetings and provides a list of current Forum Membership, including vacancies.

3. RECOMMENDATIONS

- 3.1 As set out on the front of the report.

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APPENDIX A

SCHOOLS FORUM FOR TAMESIDE

Terms of Reference, Principles and Constitution for Schools Forum

TERMS OF REFERENCE

THE SCHOOLS FORUM

Representatives from schools, academies and free schools make up the Schools Forum. There is also some representation from non-school organisations, such as nursery and 16-19 education providers.

The Forum acts as a consultative body on some issues and a decision making body on others.

The Forum acts in a consultative role for:

- changes to the local funding formula (the local authority makes the final decision)
- proposed changes to the operation of the minimum funding guarantee
- changes to or new contracts affecting schools (school meals, for example)
- arrangements for pupils with special educational needs, in pupil referral units, and in early years provision

The Forum decides:

- how much funding may be retained by the local authority within the dedicated schools grant (for example, providing an admissions service, or providing additional funding for growing schools)
- any proposed carry forward of deficits on central spend from one year to the next
- proposals to de-delegate funding from maintained primary and secondary schools (for example, for staff supply cover, insurance, behaviour support)
- changes to the scheme of financial management

PRINCIPLES

Whilst members are representatives of their specific sectors or phase, they will be expected to seek feedback from the schools they represent.

Schools Forum members should consider the needs of the whole educational community, rather than using their position on the Schools Forum to advance their own sectional or specific interests.

Schools staff and governors should make sure that the representatives they choose are competent to act as their advocates.

They should also ensure that they are aware of Schools Forum business and make their views known about decisions affecting schools' finance.

Local authorities must publish all Schools Forum papers in advance of each meeting.

Any recommendations should be clear and local authority responsible officers should attend meetings to provide further information and advice.

All Schools Forum meetings must be open to the public. Observers do not have an automatic right to speak at meetings, but the chair may allow contributions where appropriate.

CONSTITUTION

The title of the Forum shall be the 'Schools Forum for Tameside' herein after referred to as 'The Schools Forum'.

Introduction

The Schools Forum has been established in accordance with the provisions of the Schools Forums (England) Regulations 2012 (S.I. 2012/2261). The following document lays out a revised constitution and terms of reference of The Schools Forum, building upon the original documentation drawn up in June 2003. The Schools Forum is a separate statutory body and, as such, is not a committee of the local authority.

The School and Early Years Finance (England) Regulations 2021 amended The Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020 to make permanent provisions to enable Schools Forum meetings to be held remotely. This includes (but is not limited to) telephone conferencing, video conferencing, live webcast, and live interactive streaming. Where a Schools' Forum decides to hold a public meeting by remote means only, the Forum should provide support or make alternative arrangements so that any interested parties who do not have telephone or online access can attend virtual meetings.

Functions of the Forum

To make decisions in relation to:

- de-delegation from mainstream maintained schools budgets (separate approval will be required by the primary and secondary phase members of schools forum), for prescribed services to be provided centrally
- to create a fund for significant pupil growth in order to support the local authority's duty for place planning (basic need), including pre-opening and diseconomy of scale costs, and agree the criteria for maintained schools and academies to access this fund
- to create a fund for falling rolls for good or outstanding schools if the schools' surplus capacity is likely to be needed within the next three years to meet rising pupil numbers and agree the criteria for maintained schools and academies to access this fund
- agreeing other centrally retained budgets, including for local authority statutory responsibilities (where these relate to maintained schools only, voting is by the primary, secondary, special and PRU members of schools forum)
- funding for central early years expenditure, which may include funding for checking eligibility of pupils for an early years place, the early years pupil premium and/or free school meals
- authorising a reduction in the schools budget in order to fund a deficit arising in central expenditure, or from de-delegated services, which is to be carried forward from a previous funding period in the 2019 to 2020 funding year. The Schools Block is ring-fenced. Local authorities require Schools Forum approval in order to move up to 0.5% from the Schools Block to other blocks
- in each of these cases, the local authority can appeal to the Secretary of State if the Schools Forum rejects its proposal.

The Local Authority must consult the Schools Forum in relation to:

- amendments to the school funding formula, for which the voting is restricted by the exclusion of non-schools members, except for PVI representatives
- arrangements for the education of pupils with special educational needs in particular the places to be commissioned by the local authority and schools, and the arrangements for paying top-up funding
- arrangements for the use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the local authority and schools, and the arrangements for paying top-up funding
- arrangements for early years provision
- administrative arrangements for the allocation of central government grants paid to schools via the local authority

Membership and Attendance

The Schools Forum will be made up of schools, academies and free schools members and non-school members as listed below. Non-schools members will make up no more than a third of a Schools Forum's total membership

Schools members

Members should be headteachers, governors or bursars (they may be represented by other senior members of staff within their school). Governors can include interim executive members of an interim executive board. Membership will be determined in accordance with regulation.

Non-Schools members

A representative of providers of 16-19 education must be elected from those providers. Early years' providers from the private, voluntary and independent (PVI) sector.

Other attendees who are permitted to contribute to a Schools Forum meeting:

- the Director of Children's Services at the authority or their representative;
- the Chief Finance Officer at the authority or their representative;
- any elected member of the authority who has primary responsibility for Children's Services or education in the authority;
- any elected member of the authority who has primary responsibility for the resources of the authority;
- any person who is invited by the Forum to attend in order to provide financial or technical advice to the Forum;
- an observer appointed by the Secretary of State; and
- any person presenting a paper or other item to the Forum that is on the meeting's agenda, but that person's right to speak shall be limited to matters related to the item that the person is presenting.

Tameside's membership can be found at **Annexe A**

Meetings will be open to the public, although there is no automatic opportunity for members of the public to speak. Public involvement can come through Forum invitation only. Where the Forum discusses matters of a confidential nature e.g. contracts where there is a commercial interest, then this should be considered private and confidential and members of the public excluded. In all cases the principles of the Local Government (Access to Information) Act apply.

Meetings and Proceedings of the Schools Forum

The local authority shall act as clerk to The Schools Forum and ensure that all of the procedural aspects of Forum performance are complied with.

The Schools Forum shall meet at least four times per year.

The Forum shall be quorate if at least 40% of the voting membership is available at the meeting.

A Chair and Vice Chair shall be elected annually from those members present at the first meeting of the academic year; the term of office being one year. Any elected member or officer of the authority cannot stand as Chair.

A member of Schools Forum may nominate an alternate to attend a meeting if he or she is unable to do so, but the alternate must also fulfil the same criteria as the member; they must be from the same category of school within the local authority. The appointed member, prior to the meeting, shall notify the name of the substitute member to the officer acting as clerk to the Forum.

Any member who fails to attend four consecutive meetings of Schools Forum, even where a substitute attended on his or her behalf, may have their membership terminated.

A draft agenda shall be agreed for the 12 month period. The Chair of Forum must decide upon the agenda for the meeting following consultation with members of the Forum. The final agenda and written papers are to be circulated 5 working days before the start of the meeting. Verbal or tabled reports will only be accepted in extenuating circumstances.

Voting procedures at Forum are covered in **Annexe B** attached.

Charging of expenses

All expenses of the Forum shall be met by the Authority, and charged to the schools budget. Expenses can be claimed in line with the forum expenses procedure.

Future Amendments to the Terms of Reference

Membership and terms of reference will be reviewed by the Local Authority at the start of each academic year.

ANNEXE A

SCHOOLS' FORUM MEMBERSHIP 2023-2024

MAINTAINED PRIMARY SCHOOL MEMBERS (9)	SCHOOL
Steve Marsland	Headteacher – Russell Scott Primary School
Lisa Gallaher	Headteacher – Milton St John Primary School
Lisa Lockett	Headteacher – Stalyhill Infants School
Susan Marsh	Governor - Governors' Forum
Gemma Patterson	Headteacher – Lyndhurst Primary School
Kirsty Rimmer	Headteacher – St Anne's Primary School
Simon Brereton	Headteacher – Holy Trinity Primary School
John Cooper	Headteacher – Greswell Primary School
Phil Williams	Headteacher – Audenshaw Primary School
ACADEMY PRIMARY SCHOOL MEMBERS (6)	ACADEMY
Karen Burns	CEO, Victorious Academies Trust
Simon Wright	Headteacher - St Paul's Primary Academy, Stalybridge
Heather Farrell	Principal – Oakfield Primary School
Bev Oldham	Principal – Discovery Academy
Vacancy	
Vacancy	
MAINTAINED SECONDARY SCHOOL MEMBERS (1)	SCHOOL
vacancy	
ACADEMY SECONDARY SCHOOL MEMBERS (2)	ACADEMY
David Waugh	Headteacher – Great Academy Ashton
Chris Cluitt	Headteacher – All Saints Catholic College
MAINTAINED SPECIAL SCHOOLS (1)	SCHOOL
Pierre Coiffait	Headteacher – Thomas Ashton School
ACADEMY SPECIAL SCHOOLS (1)	SCHOOL
Rosario Sarno	Governor – Hawthorns
PUPIL REFERRAL (1)	SCHOOL
Anthony Benedict	Whitebridge & Elmbridge Learning Centres
NON SCHOOL MEMBERS (5)	REPRESENTING
Anne Morgan	Tameside Teachers' Consultative Committee
vacancy	Early Years Private Voluntary & Independent Sector
Elaine Horridge	Church of England Diocese
Vacancy	Roman Catholic Diocese
Lisa Richards	14-19 Sector
NON VOTING MEMBERS & OBSERVERS	REPRESENTING
DFE/EFA Representative	DFE/EFA Representative
Councillor J North	First Deputy – Finance, Resources and Transformation
Councillor L Feeley	Executive Member - Education, Achievement and Equalities
Jane Sowerby	Assistant Director of Education
Report Presenters	
Council Officers Providing Financial or Technical Advice	

SCHOOLS FORUM VOTING PROCEDURE

1. The decision as to whether a ballot is held will normally be determined by the requirements of the paper tabled. In exceptional circumstances where members wish to hold a ballot and record the outcome to an item not previously considered to require a vote, then a vote can be triggered by a formal proposition by a member and subsequently agreed by the Chair.
2. Votes shall be cast by a show of hands unless the chair decides that a secret ballot is appropriate.
3. Each member of the Schools Forum, or their substitute, shall have one vote. Non-members (e.g. officers, observers) are not entitled to vote.
4. Non-schools members, other than those who represent early years' providers, must not vote on matters relating to the formulae to be used by the local authority to determine the amounts to be allocated to schools and early years' providers in accordance with regulations.
5. Only the maintained primary schools members of The Schools Forum may vote to decide whether or not to authorise the de-delegation proposals for their phase of maintained schools only.
6. Only the maintained secondary schools members of The Schools Forum may vote to decide whether or not to authorise the de-delegation proposals for their phase of maintained schools only.
7. The proceedings of the Forum are not invalidated by:
 - any vacancy among their number;
 - any defect in the election or appointment of any member;
 - or any defect in the election of the chair.
8. Issues put to the vote shall be decided by a majority of the members, or their substitutes, present at the meeting and voting on the issue.
9. In the case of equal votes, discussion will continue to try to achieve consensus if this cannot be achieved, the Chair will be deemed to have a second or casting vote, with no restriction on either how or whether this is exercised.
10. The numbers of votes and abstentions cast shall be reconciled and recorded.
11. If the members feel that the consultative process is best served by advising decision-makers of the wider views represented in the Forum, then these will be recorded in the minutes together with the weight of each opinion as indicated by votes cast.
12. When casting a vote, members exercise their judgement to decide on issues, bearing in mind the views of their constituent organisations.
13. Declarations of special interest should be made before a vote and recorded in the minutes to cover situations where the decision would affect an individual, the school they represent specifically, or where they, or a related party, have a personal interest in an organisation tendering for a contract with the local authority. For this purpose, a related party is deemed to be where you, or a close relative or member of your household, own a company or have a major shareholding in said company.

Agenda Item 6

Report to:	SCHOOLS' FORUM
Date:	26 September 2023
Reporting Officer:	Gemma McNamara – Interim Assistant Director of Finance Jane Sowerby – Assistant Director of Education
Subject:	SCHOOL BALANCES
Report Summary:	<p>This report provides.</p> <ol style="list-style-type: none">1. A further update and review of 2022-23 excess surplus balances at risk of clawback2. Details of the 2023-24 Surplus Balances approved in line with the Balance Mechanism Scheme
Recommendations:	<p>School Forum members are asked to consider the following recommendations.</p> <ul style="list-style-type: none">• Forum members are asked to consider the 2022-23 excess surplus balances at risk of claw back and the exceptional circumstances for having excess balances included at Appendix one.• Forum members are asked to review on a line-by-line basis and agree or reject the clawback from affected schools.• Forum members are asked to approve that any balances clawed back from schools will be used to offset the High Needs Deficit.• Forum members are asked to note the 2023-24 excess surplus balance position.
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop and supporting aspiration and hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial policies and financial regulations.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	School funding is primarily given from the Dedicated Schools Grant, which is ring-fenced for educational purposes. Under the Scheme of Financing, schools are able to hold reasonable balances and any excess balances are subject to clawback by Schools Forum. Schools Forum have agreed any clawback of funds would be utilised to support the High Needs deficit recovery.
Legal Implications: (Authorised by the Borough Solicitor)	There are no immediate legal implications arising from this report.

Risk Management: The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and closure of accounts to ensure that this is achieved. These are subject to regular review

Access to Information:

NON-CONFIDENTIAL

This report does not contain information, which warrants its consideration in the absence of the Press or members of the public.

Background Information: The background papers relating to this report can be inspected by contacting Jerome Francis – Finance Business Partner, Financial Management, Children’s and Safeguarding Services



Telephone: 0161 342 3044



e-mail: jerome.francis@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report covers two elements of schools' surplus balances. First the report provides a detailed review of excess surplus balances and those schools with 2022-23 balances at risk of clawback as discussed at the last forum meeting in June 2023. The report also provides members with an update on the position of schools' excess surplus balances in 2023-24 in line with the Balance Control Mechanism Scheme.
- 1.2 All schools receive their delegated budget share based on the Local Funding Formula and governing bodies have delegated powers and responsibilities to manage and deploy their financial resources in accordance with their agreed aims and objectives to achieve the best outcomes for pupils.
- 1.3 Maintained schools are permitted to carry forward any year-end surplus/deficit balances recorded at the 31 March to the following financial year as long as they conform to rules of the Balance Control Mechanism Scheme.

2. 2022-23 EXCESS SURPLUS BALANCES AT RISK OF CLAWBACK

- 2.1 The forum report in June 2023, identified 9 schools with excess surplus balances, of these, 6 schools have excess balances totalling £0.462m that were in their first year of an excess balance so these balances are not at risk of clawback in 2023-24. The remaining 3 schools have carried an excess surplus balance for 2 consecutive years and totals £0.197m. Under the Balance Control Mechanism Scheme 50% of these balances are at risk of clawback i.e., a total of £0.098m.
- 2.2 The 3 affected schools have all submitted a request that exceptional circumstances be considered and as in previous years these have been reviewed and discussed in detail at the Schools Funding Group in July 2023.
- 2.3 **Appendix 1** below includes an anonymised summary of the correspondence received from schools and the recommendations made following discussion with Schools Funding Group.
- 2.4 Schools Forum are asked to approve or reject invoking the clawback for each school.
- 2.5 Any balances clawed back will be used to offset the High Needs Deficit as agreed by Forum in previous years.

3. 2023-24 SURPLUS BALANCES CURRENTLY HELD BY SCHOOLS

- 3.1 Following submission of the approved budget plans for 2023-24, 7 schools (6 primary and 1 secondary school) have submitted plans with surplus balances above the sector thresholds for the financial year 2023-24.
- 3.2 In line with the Balance Mechanism Scheme, these schools have also submitted an approved Utilisation of School Balances form identifying reasons for holding the surplus.
- 3.3 A further 8 schools have utilised the Capital Reserve and a total of £1.065m is earmarked for projects over the next financial year.
- 3.4 The Schools Finance Team will continue to monitor schools balances in year and a further update will be brought to Forum once 2023-24 balances are finalised at the end of the financial year.

4. **RECOMMENDATIONS**



- 4.1 Forum members are asked to consider the review of the 2022-23 excess surplus balances at risk of claw back and exceptional circumstance requests included at **Appendix 1**.
- 4.2 Forum members are asked to review on a line-by-line basis and agree or reject the claw back.
- 4.3 Forum members are asked to approve that any excess balances clawed back from schools will be used to offset the High Needs Deficit.
- 4.4 Forum members are asked to note the 2023-24 excess surplus balance position.

APPENDIX 1

SCHOOL	AT RISK 2022-23	CLAW BACK 2021-22	REASONS	RECOMMENDATIONS FOR SCHOOLS FORUM APPROVAL
Special	£57,150	£0	£53k outstanding charges for PFI repairs relating to 2022-23 and previous years. This doesn't include damages but the average over the last 2 years was £24k. Projecting future deficits if staffing changes go ahead.	School Funding Group recommended if the late charges can be verified these should be excluded from any clawback. School would still be liable for an approx. £25k clawback. SFG recommended this should still stand.
Primary	£4,054	£31,566	Protracted recruitment of new SBM, vacancy for a while so coasting with surplus balances and vacancy saving £6,600. Delay also created lag in MUGA project, bulk of project £46k will now fall in 23-24 (£20k in 22-23) insurance reimbursement staff £11k & £6.5k last Ukrainian funding short notice plus additional EY's admissions - would use to offset future deficits	School Funding Group feel that mitigations are valid in light of SBM now being in post and the school would have utilised Capital Reserve if in post at the time.
Special	£37,691	£30,215	Accept financial management needs to be addressed, second year at risk of clawback. Challenging situation based on changes in leadership, Governors should have challenged budget and head and Governors trying to manage low level of spend on staffing, projecting future deficits if staffing changes go ahead.	School Funding Group didn't feel the reasons for mitigating circumstances should be accepted.

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Agenda Item 7

Report to:	SCHOOLS' FORUM
Date:	26 September 2023
Reporting Officer:	Gemma McNamara, Interim Assistant Director of Finance Jane Sowerby, Assistant Director of Education
Subject:	SCHOOLS FINANCIAL VALUE STANDARD (SFVS)
Report Summary:	To provide an update on the requirement for schools to complete the self-assessment process against the Schools Financial Value Standard by 31st March 2023.
Recommendations:	Schools' Forum members note the contents of the report
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop and supporting aspiration and hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	Schools spending must be in line with financial policies and financial regulations. Overall effective use of resources across Tameside schools is a key component in the Authority's Annual Use of Resources Statement.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	The SFVS returns are a self-assessment of how well school governors are equipped to carry out their financial safeguarding duties. Their completion ensures a robust mechanism is in place to support schools in recognising and addressing any weaknesses in their financial management and enables the Internal Audit Team to use the information to support the internal audit programme.
Legal Implications: (Authorised by the Borough Solicitor)	There are no immediate legal implications arising from this report.
Risk Management:	There are no direct risks as a result of this report. Any areas of concern or risk identified in the returns will be reported to Internal Audit to use in their assessment of schools on a rolling audit programme
Access to Information:	Non-Confidential This report does not contain information, which warrants its consideration in the absence of the Press or members of the public
Background Information:	The background papers relating to this report can be inspected by contacting Jerome Francis  Telephone: 0161 342 3044  e-mail: jerome.francis@tameside.gov.uk

1. INTRODUCTION

- 1.1 The schools financial value standard (SFVS) is a mandatory requirement for Local Authority (LA) maintained schools. The SFVS helps to provide schools with assurance that they are meeting the basic standards necessary to achieve a good level of financial health and resource management.
- 1.2 Governing bodies of maintained schools or management committees of pupil referral units (PRUs) have formal responsibility for the financial management of their schools, and so the standard is primarily aimed at governors or management committees.
- 1.3 The standard consists of a checklist and a number of questions which governing bodies or management committees should formally discuss annually with the headteacher and senior staff. It concentrates on the key elements of financial management and efficiency and is aimed mainly at governors as they have a statutory responsibility for financial management in schools. In doing so, governors manage a considerable amount of public money and carrying out the SFVS assessment will assist in this task and give assurance to the Local Authority that schools have sound financial management in place.
- 1.4 The results of the assessment can be used to identify possible areas for change to ensure resources are being used to support high quality teaching and the best education outcomes for pupils. The checklist focuses on the following areas:
 - A. Governance
 - B. Schools Strategy
 - C. Setting the School Budget
 - D. Staffing
 - E. Value for Money
 - F. Protecting Public Money
- 1.5 The standard requires schools to carry out benchmarking and a SFVS self-assessment dashboard is available for each school on the DfE's school financial benchmarking website ([benchmarking website](#)). It shows how a school's data compares to thresholds on a range of statistics that have been identified as indicators for good resource management and outcomes.
- 1.6 Schools are also required to complete a template recording any Related Party Transactions to demonstrate they have adequate arrangements in place to manage any contract or agreement between the school and a person or entity that's has close links to the person awarding the contract.

2. THE ROLE OF THE LOCAL AUTHORITY (LA)

- 2.1 All schools must submit a governor approved copy of their assessment to the LA by the 31 March.
- 2.2 LA's should consider any Related Party Transactions submitted by schools, paying particular attention to any over £20,000 and ensure they are satisfied with the financial controls in place related to these transactions.
- 2.3 Local authorities will use schools' SFVS returns to inform their programme of financial assessment and audit. The SFVS will not be externally assessed. The local authority and other auditors will have access to the standard, and when they conduct an audit can check whether the self-assessment is in line with their own judgement. Auditors should make the governing body, the management committee and the local authority aware of any major discrepancies in judgments. Auditors should also ensure that all actions have been addressed before a SFVS review takes place for another year.

3. POSITION OF TAMESIDE SCHOOLS

3.1 **Table 1** shows the 2023 position for Tameside Schools. There was a total of 58 schools open at the start of the financial year and 55 submitted a return to the LA.

3.2 The 3 schools that didn't submit were eligible for an exemption; 2 schools closed in the financial year and a further school had an Academy Order in place. If the school hasn't converted by the end of the next financial year, it becomes eligible to complete the SFSV return again.

3.3 No schools returned a Related Party Transaction above £20,000.

3.4 **TABLE 1: SFVS returns submitted to LA.**

	Primary	Secondary	Special	PRU	Total
Total number of eligible schools in LA	47	6	4	1	58
Number of eligible schools that submitted the SFSV return	45	6	3	1	55
Number of Schools that did not submit the SFSV (non-compliant, with exemptions)	0	0	0	0	0
Number of Schools that did not submit the SFSV (with exemptions)	2		1		3

4. ASSURANCE STATEMENT



4.1 The LA was required to submit an assurance statement signed by the Chief Financial Officer detailing which schools completed the SFVS to the DfE by 31 May 2023. This statement was signed and sent to the EFSA by the deadline as required.

5. RECOMMENDATIONS

5.1 As set out at the front of the report.

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Agenda Item 8

Report to:	SCHOOLS' FORUM
Date:	26 September 2023
Reporting Officer:	Gemma McNamara – Interim Assistant Director, Finance Jane Sowerby – Assistant Director, Education
Subject:	SCHOOL FUNDING UPDATE ON NFF AND SUMMER ANNOUNCEMENTS FROM DFE
Report Summary:	This report provides an update on the latest school funding announcements.
Recommendations:	Members of the Schools' Forum are requested to note the contents of the report.
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial and policy framework.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>The Dedicated Schools Grant is a ring-fenced grant solely for the purposes of schools and pupil related expenditure. The provisional allocations for 2024-25 are outlined within the report.</p> <p>The allocation of the High Needs element of this grant continues to be insufficient to meet current spending or growth in number of pupils requiring support.</p> <p>The Schools' Forum and the Council must identify savings to address the growing High Needs deficit and continue to update DfE with progress against the DSG deficit recovery plan.</p>
Legal Implications: (Authorised by the Borough Solicitor)	There are no immediate legal implications arising from this report. Finance and education will monitor the use of the grant to ensure compliance with the terms of the funding.
Risk Management:	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review
Access to Information:	NON-CONFIDENTIAL This report does not contain information which warrants its consideration in the absence of the Press or members of the public.
Background Information:	The background papers relating to this report can be inspected by contacting Jerome Francis – Finance Business Partner, Financial Management, Childrens and Safeguarding Services  Telephone: 0161 342 3044  e-mail: jerome.francis@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report provides information with regards to the DfE spending announcements and some context for the potential impact of the Tameside MBC position. The DSG announcements at this stage only cover the Schools Block, High Needs Block and the Central Service Support Block. Detailed Early Years Block information is not shared at this point. Updates on this and confirmation of all other allocations are expected in December 2023.
- 1.2 These are indicative figures. The information released at this stage is indicative and based on the 2023-24 data set (October 2022 census data) and actual allocations will change based on the October 2023 census return.
- 1.3 The provisional 2024-25 allocation for Tameside has increased by £8.668m. This is after increasing the 2023-24 allocation to take account to the mainstream schools' additional grant (MSAG) funding that was allocated in 2023-24.

TABLE 1 – Provisional DSG Allocation

Funding Block	2023-24 £m	2024-25 £m	Increase £m
Schools Block (excluding growth)	207.081	213.806	6.726
High Needs Block	36.910	38.757	1.847
Central School Services Block (CSSB)	1.249	1.344	0.095
Total	245.240	253.908	8.668

2. SCHOOLS BLOCK UPDATE 2024-25

- 2.1 The schools block allocation is based on October 2022 census data. The provisional 2024-25 allocation for Tameside MBC has increased by £6.726m, which currently excludes Growth funding which will be included once the final allocation is announced in December 2023. A full breakdown of the funding elements can be found at **Appendix A** along with the detailed national funding amounts.

TABLE 2 – Provisional Schools Block Allocation 2024-25

Schools Block Funding	Total 2023-24 Funding Allocated £m	Total 2024-25 Provisional Funding £m	Increase £m
Pupil Led Funding (including the MSAG in 2023/24)	203.168	209.326	6.159
Premises Funding	3.913	4.480	0.567
Total Funding excluding Growth	207.081	213.806	6.726

- 2.2 The increase in pupil led funding relates to the increased NFF funding rates. The increase in premises funding relates to an increase in Business Rates and a 10.4% RPIX increase on PFI funding. Details of the main updates to the NFF are set out below.
- 2.3 A formulaic approach to allocating split site funding is being introduced. This will ensure split site funding is provided on a consistent basis across the country. We don't believe this currently affects any of our mainstream schools, but this will be reviewed, and any relevant updates will be included in the annual funding consultation.

- 2.4 The core factors in the schools NFF (such as basic entitlement and the lump sum) will increase by 2.4% and the funding floor will ensure that every school will attract at least 0.5% more pupil-led funding than 2023-24.
- 2.5 The MSAG has been rolled into the schools NFF, ensuring this additional funding forms an ongoing part of the schools' core budget.
- 2.6 2023-24 was the first year of transition to a direct (or hard) NFF. The same approach is being continued in 2024-25 meaning every LA must use only NFF factors and they must use all of the NFF factors. They must also move 10% closer to the NFF factors compared to where they were in 2023-24. Tameside is already in line with NFF therefore these changes will not impact on Tameside schools.
- 2.7 Local Authorities (LAs) must use the new NFF requirements for growth funding, whereby additional classes (driven by basic need) must be funded by at least the minimum funding level set out in the funding calculation. The growth allocations have been set at £1,550 per new primary pupil and £2,320 pre new secondary pupil plus a lump sum of £76,195 for each brand new school. The rates used in the local formulae for Tameside are already above these rates. We are currently reviewing this update to the NFF and any proposed changes will be brought forward as part of the annual funding consultation.
- 2.8 LA's must also follow the new NFF requirements for falling rolls funding, whereby LA's can only provide falling rolls to schools where school capacity survey (SCAP) data shows that schools places will be required in the subsequent three to five years. The restriction that schools must be judged Good or Outstanding at their last Ofsted inspection to be eligible for funding is also being removed from 2024-25. Again, we are reviewing this update and if any updates are required they will be brought forward as part of the annual funding consultation.
- 2.9 Local authorities will continue to set a minimum funding guarantee (MFG) in their local formulae which must be between +0.0% and +0.5% per pupil.
- 2.10 Local Authorities continue to be able to transfer up to 0.5% of the Schools Block allocation to another block within the DSG, with Schools' Forum approval. A disapplication process to the DfE continues to be in place for any amounts over 0.5% or for any amount without Schools' Forum approval. A request to transfer 0.5% from the schools' block to the high needs block will be included in the annual funding consultation and the response to the consultation brought to the November 2023.
- 2.11 The prior attainment factor uses pupil attainment data as a measure to allocate funding for pupils with low prior attainment. The 2019 assessment data will be used as a proxy measure for the missing assessments in 2020, and 2022 attainment data as a proxy for the missing assessments in 2021.
- 2.12 The calculation of notional SEN should be kept under review to ensure notional SEN budgets are both proportionate to the costs and prevalence of pupils identified as requiring SEN support and they meet the additional support costs up to £6,000 per pupil of those with more complex needs. This will be reviewed, and any relevant updates included in the annual funding consultation.

3. HIGH NEEDS BLOCK UPDATE 2024-25

- 3.1 Nationally, High Needs funding is increasing by £440m or 4.3% in 2024-25 and funding allocated to Local Authorities is increasing by around 5% overall.
- 3.2 A funding floor has been set at 3% to ensure every LA receives at least a 3% increase on the relevant funding elements per head compared to 2023-24 baselines and a limit on gains

will also apply so the maximum increase an LA can receive will be 5% compared to 2023-24 baselines.

- 3.3 Tameside have received the maximum increase possible capped at 5%. Without the cap (or limit on gains) at 5%, Tameside would have received an additional £3.885m in 2024-25.
- 3.4 The current announcements are provisional and will be subject to further updates as below:
- December 2023 update to the basic entitlement factor, based on data from the January 2023 alternative provision (AP) census and October 2023 school census.
 - May/June 2024 update to the import/export adjustments, based on data from the January 2023 school census and February 2024 R06 Individualised Learner Record (ILR)
- 3.5 Table 3 shows the provisional allocation for 2024-25 compared to the current 2023-24 allocation. Tameside are seeing an overall increase of £1.847m and the maximum 5%. This includes the rolling in of the Additional High Needs Grant from 2023-24 and is before recoupment and any further adjustments to Basic Entitlement and the Import / Export factor as discussed above.

TABLE 3 – Provisional High Needs Allocation 2024-25

High Needs funding	Current 2023-24 £m	Provisional 2024-25 £m	Increase £m	% Diff
HN factors in funding floor & gains calculation (including supplementary funding)	£35,625	£39,511	£3,886	11%
Basic Entitlement	£3,981	£3,981	£0	0%
Plus AP Factor	£192	£195	£3	2%
Less Gains Limit Factor	-£3,479	-£3,885	-£406	
Plus Additional Grant	£1,636		-£1,636	
Sub-total	£37,954	£39,801	£1,847	5%
Less Import / Export Adjustment	-£1,044	-£1,044	£0	0%
Total Funding	£36,910	£38,757	£1,847	5%

4. CENTRAL SERVICES SCHOOLS BLOCK (CSSB) 2024-25

- 4.1 The CSSB covers funding allocated to LAs to carry out central functions on behalf of pupils in maintained schools and academies in England. CSSB funding is split into two elements: funding for ongoing responsibilities and funding for historic commitments, Tameside receives only for on-going responsibilities in its allocation. Tameside will see an increase in funding of £0.095m as outlined in Table 1 of the report.

5. EARLY YEARS FUNDING ANNOUNCEMENTS

- 5.1 As reported to Schools' Forum in June 2023, in the government's spring budget, the Chancellor announced transformative reforms to childcare for parents, children, the economy and women. This new offer will empower parents, allowing them to progress their careers and support their families. The new entitlements will be introduced in phases:
- From April 2024, all working parents of 2-year-olds can access 15 hours per week;
 - From September 2024, all working parents of children aged 9 months up to 3-years old can access 15 hours per week;

- From September 2025, all working parents of children aged 9 months up to 3-years old can access 30 hours per week.

5.2 Further announcements have been made regarding additional funding for early years providers from September 2023. This information is included in the DSG Budget Update 2023-24 report.

5.3 A consultation was launched on 21 July 2023 regarding the extension of the entitlements, and closed on 8 September 2023. The consultation was for LAs, early years providers and sector representative bodies. The LA have responded to this consultation and await the outcome. Further information on the rates and distribution will not be known until the Autumn term. The DfE have advised that they will provide information at the earliest opportunity. However, in previous years LAs have not been provided with this information until mid/late December. We will continue to update Schools' Forum once announcements are received.

6. OTHER ANNOUNCEMENTS

Teachers Pay Additional Grant (TPAG)

6.1 In July 2023 the Government announced the teachers' pay additional grant to support schools to meet the costs of the 2023-24 teachers pay award. Schools, early years and post-16 settings will receive an additional £525m in the 2023-24 financial year and £900m in the 2024-25 financial year.

6.2 School level allocations have been announced for maintained schools and specialist settings, but we are still waiting for information on how funding will be allocated to eligible early years providers.

6.3 The funding for all settings will be allocated as a separate grant allocation for the period September 23 to March 24 and for 2024-25 financial year, TPAG will continue to be paid as a separate grant and it will cover the whole of that financial year. Further information can be found at the following link: [Teachers' pay additional grant - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/teachers-pay-additional-grant-2023-24).

7. RECOMMENDATIONS

7.1 As set out at the front of the report.


APPENDIX A

Item	2023-24 Unit Value	MSAG Funding Unit Value	2023-24 Unit Value Adjusted to include MSAG	2024-25 Unit Value	% Increase	% Increase with MSAG Funding	Total Funding (Including ACA) £m	Proportion of core total %
Basic per pupil Funding							£33,696	75.7%
Basic entitlement (AWPU)							£33,505	75.3%
Primary basic entitlement	3,394	119	3,513	3,597	6.00%	2.40%	£16,419	36.9%
KS3 basic entitlement	4,785	168	4,953	5,072	6.00%	2.40%	£9,904	22.2%
KS4 basic entitlement	5,393	190	5,583	5,717	6.00%	2.40%	£7,183	16.1%
Minimum Per Pupil							£191	0.4%
Minimum Per Pupil Level Primary	4,405	143	4,548	4,655	5.70%	2.40%	£150	0.3%
Minimum Per Pupil Level Secondary	5,715	198	5,913	6,050	5.90%	2.30%	£40	0.1%
Additional Needs Funding							£7,917	17.8%
Deprivation							£4,511	10.1%
Primary FSM	480	0	480	490	2.10%	2.10%	£540	1.2%
Secondary FSM	480	0	480	490	2.10%	2.10%	£376	0.8%
Primary FSM6	705	104	809	830	17.70%	2.60%	£951	2.1%
Secondary FSM6	1,030	152	1,182	1,210	17.50%	2.40%	£1,067	2.4%
Primary IDACI A	670	0	670	685	2.20%	2.20%	£104	0.2%
Primary IDACI B	510	0	510	520	2.00%	2.00%	£152	0.3%
Primary IDACI C	480	0	480	490	2.10%	2.10%	£140	0.3%
Primary IDACI D	440	0	440	450	2.30%	2.30%	£124	0.3%
Primary IDACI E	280	0	280	285	1.80%	1.80%	£147	0.3%
Primary IDACI F	230	0	230	235	2.20%	2.20%	£115	0.3%
Secondary IDACI A	930	0	930	950	2.20%	2.20%	£97	0.2%
Secondary IDACI B	730	0	730	750	2.70%	2.70%	£151	0.3%
Secondary IDACI C	680	0	680	695	2.20%	2.20%	£140	0.3%
Secondary IDACI D	620	0	620	635	2.40%	2.40%	£122	0.3%
Secondary IDACI E	445	0	445	455	2.20%	2.20%	£165	0.4%
Secondary IDACI F	335	0	335	345	3.00%	3.00%	£117	0.3%
Low Prior Attainment (LPA)							£2,857	6.4%
Primary LPA	1,155	0	1,155	1,185	2.60%	2.60%	£1,617	3.6%
Secondary LPA	1,750	0	1,750	1,790	2.30%	2.30%	£1,240	2.8%
English as an additional language (EAL)							£488	1.1%
Primary EAL	580	0	580	595	2.60%	2.60%	£346	0.8%
Secondary EAL	1,565	0	1,565	1,605	2.60%	2.60%	£142	0.3%
Mobility							£61	0.1%
Primary Mobility	945	0	945	970	2.60%	2.60%	£48	0.1%
Secondary Mobility	1,360	0	1,360	1,395	2.60%	2.60%	£13	0.0%
School Led Funding							£2,900	6.5%
Lump Sum							£2,801	6.3%
Primary lump sum	128,000	4,510	132,510	135,700	6.00%	2.40%	£2,339	5.3%
Secondary lump sum	128,000	4,510	132,510	135,700	6.00%	2.40%	£462	1.0%
Sparsity							£99	0.2%
Primary Sparsity	56,300	0	56,300	57,700	2.50%	2.50%	£94	0.2%
Secondary Sparsity	81,900	0	81,900	83,900	2.40%	2.40%	£5	0.0%
Area Cost Adjustment							£1,123	
Core total (excluding funding floor)							£44,513	
Floor							£223	
Primary floor funding							£109	
Secondary floor funding							£114	
Premises							£595	
Split Site:							£33	
Split Site Basic Eligibility (Lump Sum)				54,300				
Split Site Distance Eligibility				27,100				
TOTAL							£45,331	

Agenda Item 9

Report to:	SCHOOLS' FORUM
Date:	26 September 2023
Reporting Officer:	Gemma McNamara – Interim Assistant Director of Finance Jane Sowerby – Assistant Director of Education
Subject:	DSG MONITORING 2023-24 UPDATE
Report Summary:	A report on the Dedicated Schools Grant (DSG) budget position for the financial year 2023-24 and an update on the Early Years final outturn for 2022-23.
Recommendations:	Members of the Schools' Forum are requested to note and support the contents of the report.
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop and supporting aspiration and hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial policy and framework
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>The Dedicated Schools Grant is a ring-fenced grant solely for the purposes of schools and pupil related expenditure.</p> <p>The current projection for 2023-24 is expected to be a deficit on the DSG of £8.627m at the end of the financial year.</p> <p>The report details the in-year movements and forecast on the 4 main blocks of the DSG. The High Needs Block continues to be under pressure with a forecast in-year shortfall of funding of £5.876m.</p> <p>Work continues to seek to resolve the deficit position. Tameside is part of the Delivering Better Value program working with DfE Advisors.</p>
Legal Implications: (Authorised by the Borough Solicitor)	There are no immediate legal implications arising from this report.
Risk Management:	<p>The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved.</p> <p>The Council is responsible for the effective administration and management of the DSG. The cumulative deficit brought forward from 2022-23 and the increase in the deficit at the end of 2023-24 is subject to a deficit recovery plan with the DfE. There is a risk that this may impact on the effective support and education of our most vulnerable children.</p>
Access to Information:	Non-Confidential This report does not contain information, which warrants its consideration in the absence of the press or members of the public.

Background Information: The background papers relating to this report can be inspected by contacting Jerome Francis – Finance Business Partner, Financial Management, Children’s and Safeguarding Services

 Telephone: 0161 342 3044

 e-mail: Jerome.francis@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report is presented to provide Schools' Forum with an update on the Dedicated Schools Grant (DSG) budget for 2023-24 and the DSG reserve position. The report sets out:
- A budget update for the DSG for 2023-24 (Section 2)
 - A detailed update for High Needs for 2023-24 (Section 3)
 - A detailed update for Early Years (Section 4)
 - The DSG reserve position at 31 March 2023 and the estimated DSG reserve position at 31 March 2024 (Section 5)

2. DSG BUDGET UPDATE

- 2.1 The current DSG settlement for 2023-24 and forecast distribution/expenditure is included in Table 1.

TABLE 1 – DSG Forecast for 2023-24

DSG Funding Blocks	DSG Settlement 2023-24 at July 2023 £m	Block Transfer 2023-24 £m	Revised DSG 2023-24 £m	Forecast Distribution / Expenditure 2023-24 £m	Forecast (Surplus) / Deficit £m
Schools Block	(201.052)	0.694	(200.358)	200.349	(0.010)
Central School Services Block	(1.249)	0.000	(1.249)	1.249	0
High Needs Block	(36.910)	(0.694)	(37.604)	43.480	5.876
Early Years Block	(18.062)	0.000	(18.062)	17.511	(0.550)
Total	(257.273)	0.000	(257.273)	262.589	5.317

- 2.2 There is a forecast surplus of (£0.010m) on the Schools Block. This relates to unallocated growth. The final growth allocation is based on pupil numbers at the October 2023 census point and the figures will be updated once this has been finalised. This may impact on the current surplus forecast. Any surplus on the Schools Block reduces the DSG deficit.
- 2.3 The Central School Services Block is expected to be spent in full.
- 2.4 The forecast in-year deficit on the High Needs Block is expected to be £6.570m, which reduces to £5.876m with the £0.694m transfer from the Schools Block. The forecast also includes £1.889m of estimated remaining in-year growth to cover the autumn and spring terms and this is related to further increases in the number of EHCP's and the planned new Resourced Bases. Further information on High Needs is included in Section 3 and a separate agenda item.
- 2.5 There is a forecast surplus on the Early Years Block of (£0.550m). Further information on the early year's position is included in Section 4.

3. HIGH NEEDS BUDGET UPDATE FOR 2023-24

- 3.1 The original High Needs budget has now been updated with the revised projections following the summer real time exercise. The revised position is shown below in Table 2.

TABLE 2 – High Needs Forecast Position 2023-24 at August 2023

High Needs Budget Position 2023-24	2023-24 Original Forecast £m	2023-24 Forecast Budget Summer £m	2023-24 Variance £m	% Change
Mainstream	4.389	5.343	0.954	21.73%
Special	17.476	17.833	0.356	2.04%
Resourced Units	0.516	0.646	0.130	25.16%
Independent Schools	3.911	4.947	1.037	26.51%
PVI Settings	0.132	0.138	0.007	4.97%
NMSS	0.422	0.366	(0.056)	-13.32%
OOB (Pre 16)	2.002	2.163	0.161	8.03%
Post 16	3.000	4.148	1.148	38.25%
Hospital Education	0.100	0.100	0	0.00%
SEN Support Services	1.971	1.925	(0.046)	-2.35%
Income OOB	(0.411)	(0.432)	(0.021)	5.08%
Excluded Pupil Income	(0.181)	(0.181)	0	0.00%
Total Spend	33.327	36.995	3.668	11.01%
High Needs DSG - Original Funding	(37.144)	(37.144)	0	0.00%
High Needs DSG - Adjusted Import / Export	0	0.234	0.234	
High Needs DSG - Academy Recoupment	4.842	4.842	0	0.00%
Teacher Pay Grant	0	(0.245)	(0.245)	
Total Funding	(32.302)	(32.314)	(0.011)	-0.03%
In Year Deficit Before Growth	1.024	4.681	3.657	
Projected in Year Growth:				
Summer Term Real Time	2.514	0		
Autumn Term Real Time	0	1.370		
Spring Term Real Time	0	0.519		
Total Growth	2.514	1.889		
High Needs Block In Year 2023-24 Deficit	3.538	6.570		
Schools block transfer	(0.694)	(0.694)		
High Needs Block In Year 2023-24 Deficit (after Block Transfer)	2.845	5.876		

**** Note: Teachers Pay Additional Grant is new funding from September 2023, it will be paid as separate grant in 2023-24 and will continue as a separate grant in 2024-25.**

- 3.2 As the table shows there has been an unprecedented level of growth during the summer term. The original budget included forecast expenditure for in-year growth of £2.514m, the revised projected expenditure to the end of the financial year already supersedes this at £3.659m. In addition to this the SEN Team are expecting growth and demand to continue at similar levels throughout the financial year. So, to support this additional growth, a further £1.889m has been built into the projection. This shows the projected in-year deficit at year end is projected to increase to £5.876m from the original deficit of £2.844m.
- 3.3 The additional Growth is a result of the demand for EHCP's increasing; despite increasing the capacity of specialist places over the last three years, pressure is growing to utilise more

high cost Independent and Non-Maintained Special schools (INMSS). A number of bespoke packages are now in place in both special and mainstream schools to support pupils that do require specialist provision and a SEND Sufficiency Strategy will be produced in the autumn term in order to plan further increases in our own specialist places over the next three years.

- 3.4 Our focus will be on an effective inclusion culture across the SEND system, a graduated response and growing specialist school places as appropriate. As these actions are implemented our main areas of growth are expected to continue to be in the mainstream sector as well some growth in early years sector and INMSS. There are also plans to open 2 further resource bases by January 2024 and to build on this through a SEND Sufficiency Strategy and associated SEN Provision Plan. Table 3 below shows the expected growth by provision to the end of the year. The projected additional cost is expected to be in the region of £1.889m and this is included in the budget forecast above at Table 2.

TABLE 3 – Targeted Growth Projection to March 24

Provision Type	FY Actual Growth as at Aug 23	Additional Growth Expected Sept 23 - Mar 24	Total projected Growth in-year 2023-24	Cost of Additional Growth £m
Mainstream	136	249	385	0.738
Special	1	0	1	
TRPS	-2	0	-2	
Resourced Units	13	24	37	0.146
Independent Schools	20	59	79	0.966
PVI Settings	13	24	37	0.039
NMSS	1	0	1	
OOB Pre 16	12	0	12	
Post 16	38	0	38	
Totals	232	355	587	1.889

- 3.5 There are a number of areas still under review including the Post 16 budget, which has seen a significant increase in forecast expenditure. The SEN Team are currently reviewing and finalising schedules with providers to ensure placements for September are recorded accurately and these may result in further adjustments to the budget. The Council has also undertaken a review of its systems and processes to ensure that annual reviews of EHCP's are completed at least annually. This will ensure that the SEN's of all pupils are updated and any changes to SEN provision are identified, including those who may no longer require provision in accordance with the EHCP and therefore may provide further efficiencies.
- 3.6 Further areas of mitigation are discussed in further detail in the separate agenda item, High Needs Deficit Recovery and DSG management plan.

4. EARLY YEARS BUDGET UPDATE FOR 2023-24 AND FINAL SETTLEMENT FOR 2022-23

- 4.1 Details of the final early years' settlement for 2022-23 are included in Table 4. For 2022-23 the overall settlement for early years has reduced by £0.019m resulting in a final surplus of (£0.597m). As reported in June 2023, the surplus contributed to the DSG deficit.

TABLE 4 – Early Years Outturn 2022-23 Final Position

Early Years Funding Block	Actual Distribution / Spend 2022-23 £m	Estimated Outturn (Surplus) / Deficit £m	Final Settlement for 2022-23 £m	Final Outturn (Surplus) / Deficit £m
3 and 4 Year Olds Universal Entitlement	8.528	(0.247)	(8.800)	(0.272)
3 and 4 Year Olds Extended Entitlement	4.115	(0.246)	(4.455)	(0.340)
2 Year Olds	2.573	(0.084)	(2.517)	0.056
Early Years Pupil Premium	0.227	0.026	(0.218)	0.009
Disability Access Fund	0.066	(0.028)	(0.094)	(0.028)
Central Retention	0.615	(0.149)	(0.764)	(0.149)
SEN Inclusion Fund	0.566	0.127	(0.439)	0.127
Total	16.690	(0.601)	(17.287)	(0.597)

4.2 A detailed update of the Early Years Block for 2023-24 is included in Table 5.

TABLE 5 – Early Years Forecast 2023-24

Early Years Funding Block	Early Years DSG Settlement 2023-24 at July 2023 £m	Forecast Distribution / Expenditure 2023-24 £m	Forecast Outturn (Surplus) / Deficit £m
3 and 4 Year Olds Universal Entitlement	(9.321)	8.829	(0.492)
3 and 4 Year Olds Extended Entitlement	(4.639)	4.570	(0.068)
2 Year Olds	(2.358)	2.344	(0.014)
Early Years Pupil Premium	(0.234)	0.246	0.012
Disability Access Fund	(0.132)	0.076	(0.055)
Central Retention	(0.813)	0.813	(0)
SEN Inclusion Fund	(0.566)	0.633	0.067
Total	(18.062)	17.511	(0.550)

4.3 Table 5 reflects the updated early year's settlement announced in July 2023 compared with the forecast distribution/expenditure. The forecast distribution/expenditure for 3 and 4 year old universal and extended entitlements and 2 year olds is based on the actual participation for the Summer Term and the estimated participation for the Autumn and Spring Terms. Participation is difficult to estimate but it is estimated it will continue to reduce which is why there appears to be surpluses.

4.4 The reduction in participation for 3 and 4 years olds is mainly due to the reducing birth rate. Tameside is seeing a high level of take up at approx. 97%, this is moving towards pre-pandemic take up of places. Estimates suggest that universal uptake is reducing but there is a shift in extended entitlement where there is an estimated increase in uptake. There will be a further funding adjustment based on the Spring Term census data and if the estimates are accurate, there will be a clawback of funds which will reduce the anticipated surplus.

- 4.5 There is a forecast deficit of £0.067m on the SEN Inclusion Fund. This is based on the actual funding allocated to providers for the summer term and estimates for the autumn and spring terms. This deficit could potentially grow as there is increasing demand on the fund and is reflective of the growing number of requests for EHCPs.
- 4.6 This is a complex area of funding which will continue to be closely monitored and reported to Schools Forum.
- 4.7 As reported to Schools Forum in June 2023, additional funding was announced for early years providers from September 2023. This funding will be allocated via the Early Years Supplementary Grant (EYSG) and the government have been clear that Local Authorities (LAs) must increase the amounts they pay to early years providers in accordance with the EYSG conditions of grant from September 2023.
- 4.8 The rates on which providers will be funded in Tameside MBC, in line with the grant, will be:
- £1.70 per hour for disadvantaged 2 year olds
 - £0.31 per hour for 3 and 4 year olds universal and additional entitlement
 - £0.04 per funded hour for Early Years Pupil Premium
 - £39.20 lump sum for the Disability Access Fund
- 4.9 All of the above are in addition to the Early Years DSG paid to early years providers. All early years providers have been advised of these rates and will receive their allocations through the same payments process as the Early Years DSG.
- 4.10 The grant allocations to LAs are expected to be announced in late September. The EYSG is a one off grant and not part of the schools budget. The conditions of grant state:
- At the end of the 2023 to 2024 financial year, local authorities are permitted to:
- use any EYSG surplus funding for the purpose of the early years block of the DSG in financial year 2023 to 2024 **or** carry forward any EYSG underspends and use them in support of all early education funding streams in section 2.2 as part of their schools' budget for 2024 to 2025
 - if there is a shortfall in the EYSG, local authorities may use the early years block of the 2023 to 2024 DSG for the purposes of the EYSG to make up the shortfall. The [DSG: conditions of grant 2023 to 2024](#) have been amended to allow this.
- 5. DSG RESERVE AT 31 MARCH 2022 AND ESTIMATED POSITION AT 31 MARCH 2023**
- 5.1 Table 6 provides details on the closing position of the DSG reserve for 2022-23 and the estimated position of the DSG as at 31 March 2024.

TABLE 6 – DSG Reserve

	2022-23 (Surplus) / Deficit £m	2023-24 Forecast (Surplus) / Deficit £m
DSG Reserve Brought Forward	3.243	3.306
Schools Block Changes		
In year position on business rates	0.003	0
In year position on the growth fund	(0.355)	(0.010)
Minor variations	(0.002)	0
Schools Block Subtotal	(0.353)	(0.010)
In year position on High Needs Block	1.018	5.876
In year position on Early Years	(0.614)	(0.550)
Early Years 2021-22 final adjustment	(0.004)	0
Estimated Early Years 2022-23 Adjustment and Final Adjustment as confirmed in July 2023	0.016	0.004
DSG Reserve after Commitments	3.306	8.627

- 5.2 If the 2023-24 projections materialise there would be a deficit of £8.627m on the DSG. A deficit recovery plan has been developed and submitted to the DfE. Discussions are continuing with the DfE and the plan is being scrutinised as part of Stage 2 of the DBV programme. Further information on the high needs deficit recovery will be brought to December Forum meeting. The position will continue to be closely monitored and updates reported to Schools' Forum.

6. RECOMMENDATIONS

- 6.1 As set out at the front of the report.

Report to:	SCHOOLS' FORUM
Date:	26 September 2023
Reporting Officer:	Gemma McNamara – Assistant Director of Finance Jane Sowerby – Assistant Director of Education
Subject:	DSG HIGH NEEDS SPENDING AND DEFICIT RECOVERY PLAN
Report Summary:	This report provides an update on the current DSG deficit position along with updates on the Delivering Better Value programme and the action plan to address spending pressures
Recommendations:	Schools Forum to note the report
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial policy and framework.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>The High Needs funding is part of the Dedicated Schools Grant (DSG). It is a ring fenced grant solely for the purposes of schools and pupil related expenditure.</p> <p>The High Needs block is overspending and engagement with the DBV programme and other management actions including sufficiency are targeted at addressing the in-year High Needs Block deficit. A successful application for the Delivering Better Value in SEND Grant will result in a grant award of £1mil to implement the actions identified as part of the grant bid process.</p>
Legal Implications: (Authorised by the Borough Solicitor)	There are no immediate legal implications arising from this report.
Risk Management:	<p>The correct accounting treatment of the DSG is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. The Department for Levelling Up, Housing and Communities (DLUHC) require DSG deficits to be held in a separate reserve in local authorities' (LA) accounts. There has been an extension to this accounting treatment for a period of 3 years taking this up to financial year 2025-26 after which the statutory override will be removed as there is expectation on LA's will have managed the deficit and secured a balanced DSG budget during this period. If this is not the case the deficit will be reflected in the LA's accounts.</p> <p>There is the risk that the number of EHCPs will continue to grow despite engagement with the DBV programme and management actions being taken outlined in the report, which could impact on the LA's ability to reduce the deficit.</p>

Access to Information:

NON-CONFIDENTIAL

This report does not contain information, which warrants its consideration in the absence of the Press or members of the public.

Background Information:

The background papers relating to this report can be inspected by contacting Jerome Francis – Finance Business Partner, Financial Management, Governance, Resources and Pensions



Telephone: 0161 342 3044



e-mail: Jerome.francis@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report provides an update in relation to the High Needs DSG deficit position and forward spend projections.
- 1.2 The report gives a progress update of the DfE's Delivering Better Value (DBV) scheme that Tameside have been invited to take part in.
- 1.3 The report provides an update on the proposals and work streams already in the Management Action plan to start to address the DSG High Needs deficit. These strands of work have been discussed at previous meetings, any further savings ideas or considerations that Schools Forum identify can be explored and added to the plan.
- 1.4 These proposals will be included in the DSG Management Action Plan to the DfE outlining our recovery proposals.

2. DEFICIT POSITION AND GROWTH PROJECTIONS

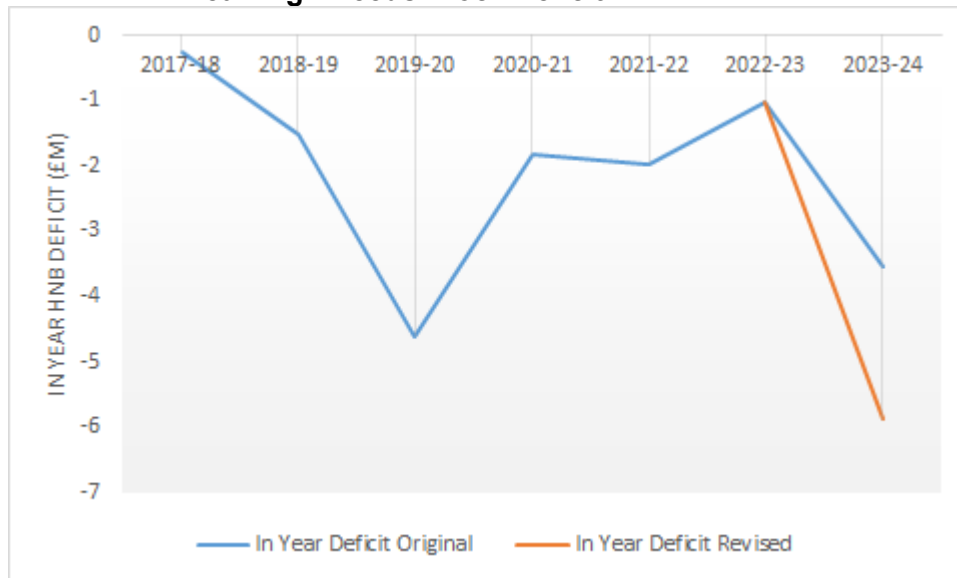
- 2.1 The cumulative DSG deficit for Tameside at the end of 2022/23 was £3.306m, after an in-year deficit of £0.063m. The High Needs element of the grant allocated by the DfE for 2023/24 was £37.144m. A block transfer from the Schools Block of £0.694m was approved by Schools Forum, providing funds of £37.838m to support High Needs provision in the borough. Before the start of the year total spend including recoupment was estimated at £40.683m, with an in-year High Needs Block deficit of £2.845m. Following the Summer 2023 term, where actual EHCP growth has outpaced predicted growth, the full-year spend is now estimated to be £43.716m, giving an in-year deficit of £5.876m. This is detailed in Table 1.

TABLE 1: High Needs Block 2023-24 Revised Forecast

High Needs Budget Position 2023-24	2023-24 Original Forecast £m	2023-24 Forecast Budget Summer £m	2023-24 Variance £m
Total Spend	38.168	41.825	3.668
Total Funding	(37.144)	(37.144)	0
In Year Deficit Before Growth	1.024	4.681	3.657
Projected in Year Growth:			
Summer Term Real Time	2.514	0	
Autumn Term Real Time	0	1.370	
Spring Term Real Time	0	0.519	
Total Growth	2.514	1.889	
High Needs Block In Year 2023-24 Deficit	3.538	6.570	
Schools block transfer	(0.694)	(0.694)	
High Needs Block In Year 2023-24 Deficit (after Block Transfer)	2.845	5.876	

- 2.2 **Table 2** below shows that, while the High Needs Block in year deficit reduced in 2022-23, it is forecast to increase significantly in 2023-24.

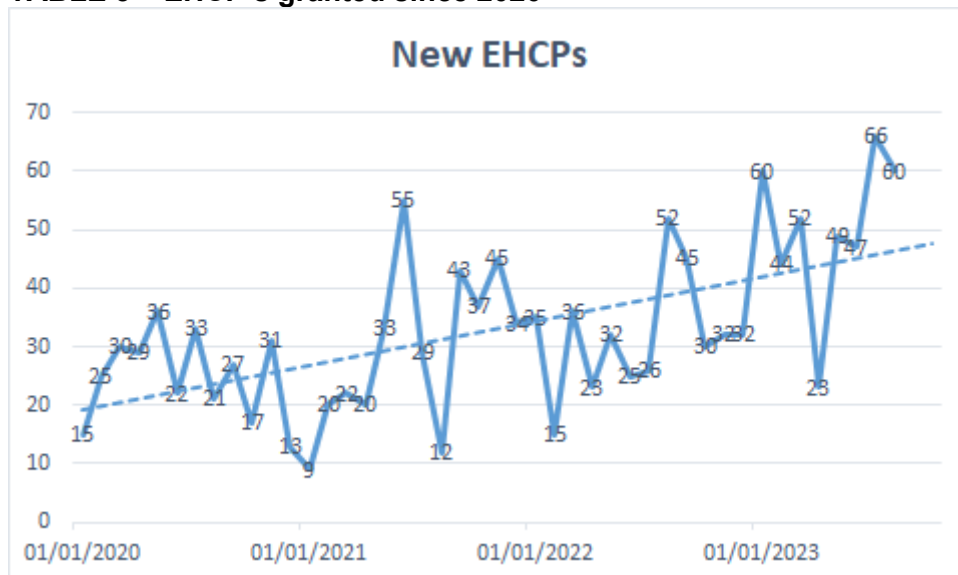
TABLE 2: In-Year High Needs Block Deficit



2.3 The main driver of Tameside’s High Needs Block deficits has been the number of EHCP’s which have historically have been very low, but rapid growth in recent years has brought us in line with our peers and Greater Manchester neighbours. This rapid growth in numbers has not been matched with growth in funding at the same rate due to a cap in High Needs Block gains, 7% for 2023-24.

2.4 When forecasting growth for 2023-24, it was assumed that the rate of new EHCP's granted would continue at the same rate as 2022-23, which was an average of 37 new EHCP's each month. This was used as the rate was already considered high and expected to start stabilising after 2-3 years of rapid growth. The first five months of 2023-24 have averaged 49 EHCP's per month, 12 higher than forecast.

TABLE 3 – EHCP’s granted since 2020



2.5 The growth in EHCP’s has been in all provision types. **Table 4** below shows new EHCP’s by provision type. Please note that the Special school figures appear low as the increase in commissioned numbers for special schools are already accounted for in the baseline. The majority of growth has been in the mainstream sector, with notable increases in Post 16 and Independent settings also. This is projected to continue for the rest of the academic year, however as special schools are already at capacity, the proportion of high cost independent placements is predicted to increase.

TABLE 4: EHCP Growth by Provision Type

Provision	FY Actual Growth as at Aug 23	Additional Growth Expected Sept 23 - Mar 24	Total projected Growth in-year 2023-24
Mainstream	136	249	385
Special	1	0	1
TRPS	-2	0	-2
Resourced Units	13	24	37
Independent Schools	20	59	79
PVI Settings	13	24	37
NMSS	1	0	1
OOB Pre 16	12	0	12
Post 16	38	0	38
Totals	232	355	587

- 2.6 The DBV programme had an unmitigated High Needs Block deficit of £3.7m forecast for 2023-24. If current growth rates in EHCP's being issued continue the DBV unmitigated forecast already appears to be underestimating the potential High Needs Block deficits over future years. Future year High Needs Block forecasts will be revised in light of the rate of growth in the Summer term and brought to Schools Forum in November 2023.

3. DELIVERING BETTER VALUE

- 3.1 Tameside was invited to participate in the DfE's Delivering Better Value in SEND support programme. Newton Europe, in collaboration with the Chartered Institute of Finance and Accountancy (CIPFA), have been commissioned by the DfE to deliver DBV and will support 55 local authorities and their local systems to identify the highest impact changes that each LA involved can make to better support their local children with SEND and make plans to implement those changes.
- 3.2 The programme places outcomes for children and young people with SEND at the centre of the approach and decision-making. The implementation plans build on existing initiatives and address the underlying challenges in each LA's high needs system. Tameside, like other LAs on the programme, have involved parents and carers, schools / settings, local partners and our front line staff when designing this plan, ensuring the programme is underpinned by a comprehensive data-driven and evidence-led diagnostic.
- 3.3 DBV module 1 and 2 provide clear analysis of the demand, type of primary need and provision accessed by the current body of SEND pupils with an Education Health and Care Plan (EHCP). A high number of EHCPs start at key transition points, in particular Nursery to Reception and Primary to Secondary and a high number of new starts in maintained special schools at age 4 and 5. This puts pressure on Tameside specialist provision, which already accounts for £14m of the £30m high needs block spend, and in turn can lead to an increased number of placements at high cost, out of borough independent non-maintained special schools.
- 3.4 Through the analysis above and triangulation via case reviews, surveys and various deep dives the subsequent root cause analysis identified the following two high impact areas for our DBV Plan to focus on:

- Inclusion – create an Inclusion Quality and Outreach Team, linked to existing Special Schools and Resource Provisions, and introduce a programme of training and workforce development (including parents and carers as appropriate).
- Transitions – establish a new Early Years Assessment Centre with co-located wrap around services. The plan to improve the effectiveness and confidence surrounding transitions will also be supported through supporting the clearance of the backlog of annual reviews and identifying those pupils that may struggle at transition and providing early support.

3.5 The above high impact areas crossover with a range of SEND improvements that are happening outside of the DBV programme, in particular the redesign of SEND Teams, review of the Specialist Outreach Support Team and SEND Sufficiency.

3.6 In early August 2023 the DfE DBV Programme Board gave indicative approval to Tameside’s Stage 1 DBV implementation plan and revenue funding request of £1m. DfE feedback on our plan stated that it demonstrated an aspiration to deliver significant improvements to services for children and young people with SEND alongside significant financial benefits over the next 5 years.

3.7 Feedback from Newton Europe to DfE on the projected High Needs Block deficits across DBV and Safety Valve local authorities, after mitigating actions have been taken, indicates that deficits remain extremely high over the coming years (Tameside position - unmitigated cumulative deficit of £31.6m by 2026-27). In response the DfE introduced a new Stage 2 late in the DBV Programme. Stage 2 requires local authorities to identify significant additional opportunities to achieve a sustainable in-year balanced position as soon as possible and have committed to the development of a robust DSG Management Plan to deliver these by the first quarterly monitoring meeting (December 2023). Stage 2 returns are required to be submitted by 8th September 2023 and the final outcome of bids will be communicated on the 15th September 2023. See **Appendix A** for more information on the DBV programme.

4. UPDATE ON EXISTING MANAGEMENT PLAN

Funding

4.1 An annual vote has taken place with the mainstream sector to transfer funds from the Schools Block to the High Needs Block fund, these transfers have been considered on an annual basis and have been approved by schools forum in line with regulations. For the 2023-24 academic year a Schools Block transfer of 0.345% or £0.694m was agreed at School Forum. For 2024-25 a Schools Block transfer of 0.5% will be considered as part of the 2024-25 NFF consultation with schools.

Resource Base Review

4.2 As part of specialist provision, the council have consulted on implementing additional local resource bases in mainstream settings. This is considered good practice in terms of keeping pupils in the local community to build networks and support inclusive practice.

4.3 This proposal seeks to establish 54 additional local places in 2023-24 including the Early Years Assessment centre which is part of the DBV programme. Based on current timelines this will result in 17 places in the Autumn term and 37 in the Spring term. Please note some of these places are still in consultation and not yet finalised.

TABLE 5: Additional Resource Base Places Planned 2023-24

New Base	No of Places
Dane Bank (7 Places Sept, 3 in Jan)	10
St James Ashton (October)	10
Silver Springs (Assessment Centre) (January 24)	24
Longendale (January 24)	10
Total Additional Places Established	54

- 4.4 Work continues to expand this model into additional primary and secondary settings. This proposal does not offer financial savings but does help in addressing demand in borough and avoid more costly placements in independent and non-maintained schools.

Special School Sufficiency

- 4.5 As part of the specialist provision, the council have worked with maintained special schools to increase commissioned places to match growing demand. This keeps pupils in the local community whilst avoiding the use of more costly out of borough or independent placements.
- 4.6 The number of commissioned places in special schools for September 2022, September 2023 and January 2024 are shown below, with a total increase of 86 places by the end of the 2023-24 academic year:

TABLE 6 : Special School Commissioned Places September 23

Special School	Commissioned Places Sept 2022	Commissioned Places Sept 2023	Commissioned Places Jan 2024
Hawthorns	190	220	220
Thomas Ashton	90	100	100
Cromwell	138	140	140
Samuel Laycock	215	230	230
Oakdale	135	147	160
TPRS	34	38	38
Total Places	802	875	888

Contract Review

- 4.7 One of our special schools has a PFI style contract. A review of this contract will be undertaken to see if it represents value for money. It is envisaged savings could be found from this contract. This review will be undertaken with the support of the LEP, the outcome of which will be considered by Elected Members at Executive Cabinet. Potential savings to the High Needs block as a result of this review is an annual £320,970.

5. CONCLUSION

- 5.1 While the High Needs Block deficit in 2022-23 was lower than expected, the deficit is forecast to be much higher in 2023-24 as the growth in the number of EHCP's granted continues to rise. The rate of growth has exceed previous local authority and DBV forecasts. As a result of the rate of growth the use of high cost independent placements has increased.
- 5.2 The DBV programme has progressed to Stage 2 with the first elements of the plan expected to begin from November 2023 and positive outcomes from September 2024.
- 5.3 Alongside implementation of the DBV Plan, the Council will produce a SEND Sufficiency Strategy in autumn 2023 to set out how the capacity of good quality local specialist school

places will grow in the next three years. The council continues to manage the deficit position by working with schools to offer local provision in Resource Bases and Special Schools.

6. RECOMMENDATIONS

6.1 As set out at the front of the report.

Inclusion: Improving inclusive practice will support more children and young people to achieve high quality outcomes in Mainstream Settings, having a cascade effect on placements within our MSS & INMSS settings



Activity	Description	Impact
Inclusion Service	<p>A team of specialist practitioners, linked to / managed by existing Special Schools and Resource Provisions, who will offer expertise and support to early years providers, schools (primary & secondary mainstream) and other professionals to promote inclusion, raise aspirations and improve outcomes for children. Focussing on early identification and intervention, they will have a key role in determining the appropriate level of provision and support including monitoring the use of top up funding. The Inclusion Service will focus on ASD & SEMH support in the primary/secondary settings, alongside an Early Years specialist.</p>	<p>The introduction of an Inclusion Service will reduce pressures on existing teams, cascade good practice, support and challenge the use of a graduated response and provide capacity to implement the Workforce Training Programme. This team will provide support and challenge to settings where inclusive practice can be improved. This dedicated team will provide oversight and accountability of use Top Up Funding to deliver better outcomes for children, therefore decreasing the number of EHCP's and specialist placements needed.</p>
Joint Workforce Training Programme	<p>Purchasing of license agreements and train the trainer costs to create a robust training programme to upskill practitioners across the Borough to increase and widen their knowledge and confidence in meeting the needs of children and young people within their setting. The programme will develop over time, but initial focus will be on ASD and SEMH. Opportunities will be taken to include parents and carers in elements of the workforce development programme. A common framework and language will be defined tied to the THRIVE MPTN approach to ensure consistent application of graduated response.</p>	<p>Settings told us that they have difficulties with recruiting specialist staff, this programme will enable staff already within the organisation to become specialists. Settings will be better equipped to meet the needs of more complex children and young people in their setting. Reducing escalation to MSS/INMSS. Relationships across SEND professionals and parents and carers will grow as they develop together, hearing the same messages will also improve parental confidence. Everyone uses a common language, based on THRIVE, to ensure a true graduated response and to minimise dis and mis information.</p>
THRIVE resource development	<p>Tameside and Salford have developed their THRIVE Matching provision to need toolkit. However feedback from SENCO's and other professionals varies substantially in terms of awareness and confidence to use. We will develop a suite of training materials and resources that break it down into bite size chunks and utilize the Inclusion team practitioners to signpost and train SENCO's School staff and TA's to improve adoption and use as part of a graduated response.</p>	<p>Settings will be able to access support for their children and Young People via a hot line to the Inclusion service who will act as Broker to match make them to the right resources, and expertise within our MSS and the inclusion team. Everyone including parents will use a common language, based on THRIVE, to ensure a true graduated response to minimise dis and misinformation .</p>
Inclusion Quality Partnership Mark	<p>Schools engaged in the Inclusion service and WFD will benefit from rapid access to inclusion support and cultural development training to help embed inclusive practice in schools. Linking expertise from our Inclusion teams, with the formation of working clusters between MSS and MS schools with Resource Provisions, we can create a long term inclusion training programme for schools along side support that enables them to qualify for the IQP Mark</p>	<p>Inclusive practice will lead to better outcomes for CYP. Reduced exclusions and placement break down. Improved relational inclusive practice and support for CYP and staff lead by Inclusion service. MSS expertise will be available to MS schools through cluster networks and annual programme of training and workshops to share best practice, interventions and approaches to improve inclusive practice.</p>



Activity	Description	Impact
Early Years Transition assessment centre	Analysis identifies a significant number of new EHCP starts in MSS at ages 4 and 5 which puts pressure on MSS capacity and ultimately a potential flow to INMSS. The results from the impact of SENIF funding indicate that children are able to access MS after short intensive work and without the need for an EHCP but a good SEN Support Plan. The assessment center pilot in one locality will test the assessment center pathway with a view that assessment centers will be set up for each locality. The Early Years Assessment Centre will benefit from the wrap around of health services / EP support co-located at the Assessment Centre and will outreach to mainstream schools and PVI settings in the locality. The Assessment Centre will improve the effectiveness and confidence of schools and parents surrounding transition from Nursery to Reception.	Children will benefit from intensive support whilst retaining the opportunity to move back into mainstream schools once the intervention at the assessment center is complete. Thereby ensuring our youngest children receive the best start and most ideal outcome in terms of setting
Clearing back-log of Annual Reviews	Commission additional capacity to clear the back log of annual reviews in order that a focus on a multi-disciplinary team approach to annual reviews at Yr5 to Yr6 and Yr6 to Year 7. This will ensure clarity of any additional support required to maintain a mainstream setting and a one page plan that is signed off by MDT / Parents and carers to provide confidence in transition.	Greater parental and mainstream confidence in transitions. Improved multi-agency working to improve the support and confidence at key transition points
6 into 7 transition support (a)	Building on the 6into7 tool and timely Annual reviews, we will look to provide a proactive temporary bespoke transition funding offer in the first two terms of Yr7 for children most in need of additional support in their move to mainstream secondary school.	Greater parental and mainstream confidence in transitions. Mainstreams benefit from support funding to ensure positive and inclusive transitions. On hand support from Inclusion team to facilitate training of staff and support CYP 6 into 7 transition cohort. Better utilization of MSS and development of expertise in RP's to support transition.
6 into 7 transition support (b)	Building on the 6into7 tool and timely Annual reviews, we will enhance the information sharing between SENCOs of our Yr5 and Yr6 SEN Support cohort through 6into7 and "speed dating" in the Spring term of each academic year. Finally the consistent offer of an Inclusion Summer School Camp based at each secondary schools will be supported which will improve confidence of pupils, parents and schools of transition to mainstream and establish / transfer best practice across our Secondary schools.	Primary and Secondary Schools will be better informed / equipped to support an effective transition to mainstream and the content of a child's one page plan will be improved and agreed ahead of transition. Inclusion Summer schools will smooth transition pathways for children and young people through experiencing the secondary school environment.
Parental confidence in transitions	Linked to the workforce development programme and 6 into 7 transition support, there will be a Programme aligned to the relational Inclusion Programme over 3 terms that helps parents help children prepare for their transition from year 6 to year 7.	Parents have more confidence on the overall pathways of support that are available to ensure positive transition to secondary school.